

CORRECTED FISCAL NOTE

HB 1952 - SB 2131

March 30, 2005

SUMMARY OF BILL: Allocates to any municipality having minor league hockey (Central Hockey League or East Coast Hockey League) an amount equal to the amount of state and local tax revenue derived from the sales of admissions to games, food and drinks sold on the premises, parking charges, related services, and any sales of authorized franchise goods and products.

ESTIMATED FISCAL IMPACT:

On March 16, 2005, we issued a fiscal note which *indicated a decrease of state revenues of \$300,000, a one-time increase of state expenditures of \$8,250, and an increase to local government revenues of \$300,000.* Based on additional information provided us, the estimated fiscal impact of this bill is:

(CORRECTED)

Increase State Expenditures - \$8,250 One-Time

Other Fiscal Impact - To the extent an agreement is reached between a municipality and a sports authority to construct a sports venue for minor league hockey, a forthcoming amount of sales tax revenue, derived from sales occurring at the games, would shift from the General Fund to the municipality where it would be earmarked to pay debt incurred to construct the venue. This amount is estimated at \$300,000 per year per team. As a result, the state would forgo these revenues and the municipalities would gain by such amounts.

Assumptions:

- One-time expenditures for software modifications needed to accommodate the new apportionments are estimated at \$8,250.
- Based on state tax collections derived from minor league baseball, tax collections on minor league hockey can be reasonably estimated at \$300,000 per year per team.
- To the extent an agreement is reached between a municipality and a sports authority to construct a sports venue for minor league hockey, a forthcoming amount of sales tax revenue, derived from sales occurring at the games, would shift from the General Fund to the municipality where it would be earmarked to pay debt incurred to construct the venue. This amount is estimated at \$300,000 per year per team.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director